

MINUTES OF THE ORDINARY GENERAL
ASSEMBLY MEETING OF ARÇELİK ANONİM
ŞİRKETİ ON 23 MARCH 2017

Ordinary General Assembly of Arçelik Anonim Şirketi for 2016 was held at the address Divan İstanbul Oteli, Asker Ocağı Caddesi No:1 34367 Elmadağ Şişli, İstanbul at 10:00 on 23 March 2017, Thursday under the supervision of Mr. Feyyaz Bal, the Ministry Representative who was assigned under the letter issued by the Republic of Turkey Ministry of Customs and Trade Provincial Directorate of İstanbul on 22.03.2017 under no 23611283.

The call for the meeting, including the agenda items was made on a timely basis as set out in the Law and the Articles of Association by publishing it on Turkish Trade Registry Journal issued on 24.02.2017 under No 9271 and by sending registered mails with returned receipt dated 27.02.2017 from İstanbul Halıcıoğlu office of PTT to the shareholders of shares registered to the name which are not traded at the Stock Exchange and by posting it at our Company's web site at www.arcelikas.com and e-company portal and the Electronic General Assembly System of Central Registration Agency (Merkezi Kayıt Kuruluşu A.Ş.) of Turkey at least 21 days in advance of the meeting date.

It was understood from the review of the List of Present Shareholders that out of 67,572,820,500 shares, each one with a nominal value of 1 kurush, corresponding to a total capital of 675,728,205.00 TL in the Company, 380,100 shares corresponding to 3,801 TL of the capital were represented in person whereas 59,790,333,147 shares representing a capital of 597,903,331.47 TL were represented by proxy so that 59,790,713,247 shares representing a total capital of 597,907,132.47 TL were represented in the meeting so that the minimum meeting quorum required under the applicable Law and Articles of Association was met. It was explained that the share that is worth 98,312,356 TL included in these shares in total was represented by the Entrusted Representatives.

Pursuant to sub-paragraph Five and Six of the Article 1527 of the Turkish Commercial Code, it was established that the Company made the electronic general meeting arrangements in accordance with the legal provisions. Mr. Levent Çakıroğlu, the Board Member, appointed Mr. Faik Bülent Alagöz, to use the electronic general assembly system, and the meeting was simultaneously opened physically and online and the agenda items were taken into discussion.

Mr. Levent Çakıroğlu, the Board Member, made explanations about the voting procedure. As prescribed both in the Law and the Articles of Association, save for the regulation as to the electronic vote count, it was explained that shareholders who are physically present at the meeting hall are required to use an open vote by show of hands, and that the shareholders who will cast nay votes will be required to state their nay votes verbally.

As a result of the discussions and negotiations on the agenda topics, the following resolutions were passed.

1- Pursuant to the first article of the Agenda, the Chairman of the Meeting which shall be assigned to manage the Ordinary General Assembly was selected. Mr. Polat Şen, the attorney of Temel Ticaret ve Yatırım A.Ş., a company shareholder explained his proposal for the Meeting Chairman. The proposal was put to the vote and by majority of the votes and acclamation corresponding to 597,903,332.47 TL against nay votes corresponding to 3,800 TL, it was decided to elect Mr. Levent Çakıroğlu as the Chairman of the Meeting.

The Meeting Chairman noted that Mr. Fatih Kemal Ebiçlioğlu and Ms. Füsün Coşkuner were appointed as the Vote Collectors while Mr. Polat Şen was appointed as the Minutes Clerk.

The Meeting Chairman noted that documents necessary to discuss agenda items at the General Assembly Meeting were available at the meeting place.

The Meeting Chairman further noted that Mr. Tunç Uluğ, Mr. Mehmet Barmanbek and Mr. Kadri Kaynak Küçükpınar, the Board members, were present at the meeting and that Mr. Ethem Kutucular attended the meeting as the representative of the independent audit firm, namely, Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (A member firm of Ernst & Young Global Limited). Information was provided about the excuses of the members of the Board of Directors who were not present at the meeting in person.

2- Pursuant to the 2nd item of the agenda, the Chairman informed that the Annual Report of the Company for the fiscal year 2016 was disclosed to the public 21 days in advance of the General Assembly Meeting (on Public Disclosure Platform, Electronic General Assembly System of Central Registry Agency Inc., at www.arcelikas.com and printed Annual Report booklets of 2016). The Board of Directors report chapter from the Annual Report issued by the Company's Board of Directors for operations in 2016 was read by the Minutes Clerk. Discussions were commenced on the Annual Report for 2016 and no one took the floor. The Annual Report for 2016 was approved and accepted by majority of the votes on the basis of acceptance votes worth 596,015,217.47 TL against rejection votes worth 1,891,915 TL.

3- The Chairman asked that pursuant to Article 3 of the Agenda Items, the summarized report issued by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (A member firm of Ernst & Young Global Limited) for the financial year of 2016 should be read. The Summary of the Independent Auditing Institution Report was read by Mr. Ethem Kutucular who was present at the meeting to represent the auditing company. As this article of the agenda was not subject to voting, it was only informative.

4- Pursuant to 4th item of the agenda, the Chairman informed that the consolidated Financial Statements for the fiscal year 2016, which are subject to Independent Audit and prepared as per the "Communiqué Serial:II-14.1 of the Capital Markets Board on the Principles of Financial Reporting in the Capital Market" of the company, were disclosed to the public 21 days in advance of the General Assembly Meeting (on Public Disclosure Platform, Electronic General Assembly System of the Central Registry Agency Inc., at www.arcelikas.com and in printed Annual Report booklets of 2016). Mr. Polat Şen, the Minutes Clerk, read the summarized versions of the balance sheet and income statement. Discussions were commenced and no one took the floor. The Consolidated Financial Statements for the fiscal year 2016 and financial statements prepared according to the Tax Procedure Law were accepted by majority of the votes with affirmative votes representing 596,015,217.47 TL against nay votes representing 1,891,915 TL.

5- The Chairman proposed to the General Assembly that acquittal of each Board member from the Company's year 2016 accounts and activities separately. Each Board member did not use his voting rights arising from his/her shares for acquittal and their acquittal were approved and accepted separately by the majority of votes on the basis of affirmative votes worth 577,618,018.58 TL against nay votes worth 1,891,915 TL.

6- The proposal by the Company's Board of Directors for the distribution of the 2016 profit was taken into discussion in its version that was announced to the public 21 days before the General Assembly Meeting (at the Public Disclosure Platform, Electronic General Assembly System of the Central Registration Agency Inc. and at the Company's web site www.arcelikas.com and printed Annual Report booklets for 2016)

According to our financial statements issued by our Company for the financial year between 01.01.2016 and 31.12.2016 in compliance with International Financial Reporting Standards and subject to the provisions of the Capital Markets Board under Serial II No: 14.1 and audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (a member firm of Ernst & Young Global Limited), the amount of "Net Consolidated Financial Year Profit" is 1,304,149,954.23 TL and out of this sum, 1,299,911,814.79 TL is the net financial year profit belonging to equity holders of the parent. Our profit distribution proposal which was based on our Profit Distribution policy approved at the General Assembly Meeting held on 27.03.2014 and market expectations and our long-term strategy, investment and financing policies and the profitability and cash status was prepared in line with the attached profit distribution table (Annex 1).

It was calculated that pursuant to the Capital Markets Law and Capital Market regulations a profit amounting to 1,299,911,814.79 TL was available for distribution; that the sum of 1,315,130,317.54 TL, which is calculated by adding a donation of 15,218,502.75 TL paid to tax-exempt foundations and associations in the year constituted the first dividend base; that according to the statutory records, the amount of distributable profit is 755,995,367.64 TL in total, including a sum of 386,923,341.53 TL coming from net profit after tax.

The followings were decided by majority of affirmative votes amounting to 597,864,211.47 TL against rejection votes amounting to 42,921 TL- that

The general statutory reserve fund at a rate of 5% that must be set aside as per the Article No 519 of the Turkish Commercial Code should not be set aside for 2016 since the current general statutory reserve fund reached the 20% limit of the capital as of 31.12.2016.

From the consolidated profit calculated in accordance with CMB Regulations,

that a sum of 425,000,000.00 TL should be distributed to the shareholders as the first dividend;

and total of,

425,000,000.00 TL should be distributed to the shareholders as gross dividend,
39,121,358.98 TL 10% should be allocated as Group II Reserves and

on the basis of our legal records;

From 425,000,000.00 TL cash dividend to be distributed,
354,819,984.14 TL will be met from current year earnings and
70,180,015.86 TL will be met from Extraordinary Reserves,

Group II Legal reserve funds amounting to 39,121,358.98 TL,
32,103,357.39 TL will be met from Current year earnings and
7,018,001.59 TL will be met from Extraordinary Reserves,

That the dividend paid to shareholders from the current year profit and a sum of 835,790,455.81 TL which represents the balance after the second issue general statutory reserve fund should be set aside as the extraordinary reserve fund;

- That a gross = net cash dividend of 0.62895 TL per share with a nominal value of 1.00 TL and at a 62.9% ratio should be paid to our shareholders which are full taxpayer institutions or limited taxpayer institutions which collect dividends by means of a business office or a permanent representative in Turkey;
- That a gross cash dividend of 0.62895 TL at a ratio of 62.9% per nominal share with a value of 1.00 TL and a net cash dividend of 0.53461 TL at a ratio of 53.5% should be paid to other shareholders,

and that the start date for the profit distribution will be 3 April 2017, Monday.

7. Pursuant to the permission from the Republic of Turkey Prime Ministry Capital Markets Board on 07 February 2017 under no 29833736-110.03.02-E.1632 and the permission by the Republic of Turkey Ministry of Customs and Trade General Directorate of Internal Trade on 14 February 2017 under no 50035491-431.02-E-00022583141, the proposal by the Board of Directors for the amendment of Article 6 of the Company's Articles of Association titled "Capital" was discussed (attached is the certified draft amendment) and it was accepted by majority of votes on the basis of acceptance votes worth 595,440,577.47 TL against rejection votes worth 2,466,555 TL to approve such amendment.

NEW TEXT

Article 6 – CAPITAL

The Company has adopted authorised capital system in accordance with the provisions of Law nr. 6362 and transited to authorised capital system with 28.10.1982 dated and 61 numbered permit of Capital Markets Board.

Upper limit of Company’s authorised capital is TL 1,500,000,000.00 (One billion and five hundred million Turkish Liras), divided into 150,000,000,000.00 (One hundred and fifty billion) registered shares, each with a nominal value of 1 (One) Kurus.

The permit provided by the CMB for the upper limit of authorised capital is valid for the years 2017-2021 (5 years). At the end of 2021, even if upper limit of authorised capital are not attained, in order to enable board of directors to take capital increase decision after 2021, it is mandatory to obtain authority from general assembly for a new period not exceeding 5 years by obtaining the permit of Capital Markets Board for previously permitted upper limit or a new upper limit. In case abovementioned authorization shall not be obtained, the Company cannot make a capital increase by a decision of the board of directors.

The issued capital of Company is TL 675,728,205.00 (Six hundred seventy five million and seven hundred twenty eight thousand and two hundred and five Turkish Liras) and mentioned issued capital is fully paid as free of collusion.

Corporate stocks are tracked based on records within the framework of dematerialization principles.

If necessary, Company’s capital may be increased or decreased within the framework of the provisions of Turkish Commercial Code and Capital Markets Board.

The Board of Directors is authorized to increase the issued capital by issuing new shares up to upper limit of authorised capital when deemed as necessary in accordance with the provisions of Capital Markets Law and to take decisions on limiting the rights of shareholders for acquiring new shares and on issuing shares at a premium or under its nominal value. Authority of limiting the new share acquirement shall not be used in a way that causes disparity among shareholders.

8- Article 8 of the Agenda items for the election of Board members was taken into discussion. The proposal motion by Mr. Polat Şen, the attorney of Temel Ticaret ve Yatırım A.Ş., the Company’s shareholder, regarding the Board members was read. Board Membership and duty assuming statements of nominees who did not attend the meeting in person were seen by the Ministry Representative. Following the selection and voting, it was accepted by majority of votes on the basis of acceptance votes worth 592,912,677.47 TL against rejection votes worth 4,994,455 TL to accept and approve that the number of the members of the Board of Directors would be 12 (twelve) together with 4 (four) independent members and Mustafa Rahmi Koç (), and Semahat Sevim Arsel (), and Mehmet Ömer Koç (), and Robert Sonman (), and Yıldırım Ali Koc (), and Levent Çakıroğlu (), and Fatih Kemal Ebiçlioğlu (), and Hakan Hamdi Bulgurlu (), and Kutsan Çelebican (), and Tunç Uluğ (), and Mehmet Barmanbek (TR ID) and Kadri Kaynak Küçükpınar (), so that they shall keep office until the Ordinary General Assembly Meeting to discuss 2017 accounts.

It was explained that the curriculum vitae of the Members of Board of Directors was disclosed to the Public 21 days in advance of the General Meeting (on Public Disclosure Platform, Electronic General Assembly System of the Central Registry Agency Inc., at www.arcelik.com and in printed Annual Report booklets of 2016).

9- It was assumed and deemed that the “Policy for Remuneration payable to Board Members and Top Managers” accepted by our shareholders at the Ordinary General Assembly Meeting held on 25.03.2016 finally was announced to the public 21 days in advance prior to the General Assembly Meeting at the Public Disclosure Platform, Electronic General Assembly System of the Central Registration Agency and at the Company’s web site www.arcelik.com and it was accepted by majority of votes on the basis of acceptance votes worth 596,516,129.47 TL against rejection votes worth 1,391,003 TL that a total benefit amounting to 61,152,000 TL (sixty one million one hundred and fifty two thousand) was provided and paid by our Company to the Board members, General Manager, Assistant General Managers and

Directors reporting directly to the General Manager in 2016 under the said remuneration policy as set out in the Note 35 to the financial statements.

10- The proposal motion by Mr. Polat Şen, the attorney of Temel Ticaret ve Yatırım A.Ş., the Company's shareholder, regarding the determination of the remuneration payable to Board Members was read in line with the "Policy for Remuneration payable to Board Members and Top Managers" It was accepted by majority of votes on the basis of acceptance votes worth 596,045,979.47 TL against rejection votes worth 1,861,153 TL that a gross sum of 357,000 TL (three hundred fifty seven thousand) should be paid to each Board member annually in equal monthly arrears starting from the month following the present General Assembly meeting.

11- It was accepted by majority of votes on the basis of acceptance votes worth 590,655,361.47 TL against rejection votes worth 7,251,771 TL that pursuant to the Board of Directors resolution adopted on 09.09.2016 under no 894 by taking into consideration the proposal by the Audit Committee and in line with Turkish Code of Commerce and Capital Markets Law, PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. (formerly named Başaran Nas Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.), the head office of which is at Süleyman Seba Cad. BJK Plaza No:48/9 Beşiktaş İstanbul and which is registered in the Registry of Commerce in İstanbul with the registry no 201465, should be appointed as the Independent Auditor to audit Financial Reports for 2017 financial year and to pursue other operations under the applicable regulations in the said laws.

12- The General Assembly was informed that the Company paid such donations for an amount of 15,218,502.75 TL in 2016. Moreover, the proposal motion by Mr. Polat Şen, the attorney of Temel Ticaret ve Yatırım A.Ş., the Company's shareholder, regarding the request that upper limit for the donations to be made in 2017 should be 19,000,000 TL (nineteen million Turkish Liras) was put into voting and the motion was accepted by majority of votes on the basis of acceptance votes worth 556,160,563.47 TL against rejection votes worth 41,746,569 TL.

13- The Shareholders were duly informed about the collaterals, pledges, mortgages and surety given by the Company and its subsidiaries in favour of third parties in 2016 pursuant to the Capital Markets Board regulations as well as about the income and benefits derived from them. As stated in footnote 18 of the publicized consolidated financial tables, shareholders were notified that the Company had given guarantees amounting to 816,000 TL for subsidiaries included in the full consolidation in 2016 and due to these guarantees, it had issued invoices to the subsidiaries amounting to 59,041 TL. As this article of the agenda was not subject to voting, it was only informative.

14- It was accepted by the majority of votes on the basis of acceptance votes worth 592,956,642.47 TL against rejection votes worth 4,950,490 TL that permissions should be given to the shareholders controlling the company, Board of Directors members, top managers and their spouses and relatives by blood and marriage up to the second degree in line with Articles 395 and 396 of the Turkish Commercial Code . Additionally, as per the Corporate Governance Communiqué of Capital Markets Board, the General Assembly was informed that some of the shareholders who have the authorization to control the management, board members, managers with administrative responsibilities and their spouses and relatives by blood and marriage up to the second degree relatives work as board members at some other companies of the Koç Group, including the ones that have similar activity areas with the Company, and that there was no operation in 2016 that was important enough to inform the General Assembly within the scope of the Principle No. 1.3.6 of the Corporate Governance Communiqué.

15- Shareholders were heard under the wishes and opinions section. There being no further business to discuss, the Chairman adjourned the meeting.

The minutes were drawn up and signed at the meeting place following the meeting.
(23.03.2017)

FEYYAZ BAL
COMMISSIONER OF THE MINISTRY

LEVENT ÇAKIROĞLU
CHAIRMAN OF THE MEETING

FATİH KEMAL EBİÇLİOĞLU
VOTE COLLECTOR

FÜSUN COŞKUNER
VOTE COLLECTOR

POLAT ŞEN
MINUTES CLERK

Profit Distribution Table of ARÇELİK A.Ş. for 2016 (TL)

1 Paid-up/ Issued Capital			675,728,205.00	
2 General Statutory reserve Fund (according to the legal records)			329,873,886.85	
If there is any preferential stock in profit distribution pursuant to Articles of Association, information about the said preference				
3 Term Profit	According to the CMB	As per legal records (YK)		EXPLANATIONS
4 Taxes (-)	1,197,443,465.77	400,144,827.81		
5 Net Term Profit (=)	-102,468,349.02	13,221,486.28		
6 Losses of Previous Years (-)	1,299,911,814.79	386,923,341.53		
7 General Statutory Reserve Fund (-)	0.00	0.00		
8 NET DISTRIBUTABLE FINANCIAL YEAR PROFIT (=)	0.00	0.00		(5YK - 6YK)*5%
9 Donations in the Year (+)	1,299,911,814.79	386,923,341.53		SPK (Free Markets Board) = (5 - 6 - 7) LEGAL= (5 - 6 - 7)
10 Net Distributable Financial Year Profit coupled with Donations	15,218,502.75			
	1,315,130,317.54			Donations within the account period are added to the net distributable profit for the period only in the calculation of the first dividend. In the remaining calculations for profit distribution, the net distributable profit for the term excluding the donations shall be used. (8 + 9)
11 First Dividend to Shareholders				
Cash	425,000,000.00			
Free of charge	425,000,000.00			
Total	425,000,000.00			
12 Dividend Distributed to the Holders of Preferential Stock	0.00			
13 Other Dividends Distributed	0.00			
- to Board Members				
- to Employees				
- To Individuals Other Than Shareholders				
14 Dividend Distributed to the Holders of Dividend Shares	0.00			
15 Second Dividend to the Shareholders	0.00			
16 General Statutory Reserve Fund	39,121,358.98			
17 Statutory Reserves				
18 Special Reserves				
19 EXTRAORDINARY RESERVE	835,790,455.81	0.00		5 - (6 + 7 + 11 + 12 + 13 + 14 + 15 + 16 + 17 + 18)
20 Other Sources which are Foreseen for Distribution		70,180,015.86		
Profit of the Previous Year	0.00	0.00		
Extraordinary reserves	0.00	70,180,015.86		
Other reserves, distributable in accordance with the Law and Articles of Association	0.00	0.00		

Dividend Ratios Table of ARÇELİK A.Ş. for 2016						
GROUP	TOTAL AMOUNT OF DIVIDEND DISTRIBUTED		FREE OF CHARGE (TL)	TOTAL AMOUNT OF DIVIDEND DISTRIBUTED / NET DISTRIBUTABLE TERM PROFIT		DIVIDEND PER SHARE HAVING 1 TL NOMINAL VALUE
	CASH (TL)			RATIO (%)	AMOUNT OF SHARES	
NET *	384,020,436.88		0.00	29.54	0.5346	53.46
TOTAL	384,020,436.88		0.00	29.54	0.5346	53.46

(*) There is no privileged share group in the profit.

(**) A dividend of 354,819,984.14 TL shall be distributed from current year earnings and 70,180,015.86 TL shall be distributed from the extraordinary reserves, and a withholding tax shall be charged to such non-exempted portion of local (domestic) individual taxpayers. For the purpose of calculating the total net dividend to be distributed, a calculation free of withholding tax shall be done for such portion that corresponds to the share of corporate shareholders which are known to be exempt from the withholding tax while the calculation for the entire unknown portion is based on the assumption that withholding tax shall be charged.

ARÇELİK ANONİM ŞİRKETİ ARTICLES OF ASSOCIATION AMENDMENT

ARTICLE NO.	FORMER TEXT	NEW TEXT
6	<p>The Company has adopted registered capital system in accordance with the provisions of Law nr. 6362 and transited to registered capital system with 28.10.1982 dated and 61 numbered permit of Capital Markets Board.</p> <p>Upper limit of Company's registered capital is TL 1,500,000,000.00 (One billion and five hundred million Turkish Liras), divided into 150,000,000.00 (One hundred and fifty billion) registered shares, each with a nominal value of 1 (One) Kurus.</p> <p>The permit provided by the CMB for the upper limit of registered capital is valid for the years 2013-2017 (5 years). At the end of 2017, even if upper limit of registered capital are not attained, in order to enable board of directors to take capital increase decision after 2017, it is mandatory to obtain authority from general assembly for a new period not exceeding 5 years by obtaining the permit of Capital Markets Board for previously permitted upper limit or a new upper limit. In case abovementioned authorization shall not be obtained, the Company will be considered as signed out from the registered capital system.</p> <p>The issued capital of Company is TL 675,728,205.00 (Six hundred seventy five million and seven hundred twenty eight thousand and two hundred and five</p>	<p>The Company has adopted authorized capital system in accordance with the provisions of Law nr. 6362 and transited to authorized capital system with 28.10.1982 dated and 61 numbered permit of Capital Markets Board.</p> <p>Upper limit of Company's authorized capital is TL 1,500,000,000.00 (One billion and five hundred million Turkish Liras), divided into 150,000,000.00 (One hundred and fifty billion) registered shares, each with a nominal value of 1 (One) Kurus.</p> <p>The permit provided by the CMB for the upper limit of authorized capital is valid for the years between 2017-2021 (5 years). At the end of 2021, even if upper limit of authorized capital are not attained, in order to enable board of directors to take capital increase decision after 2021, it is mandatory to obtain authority from general assembly for a new period not exceeding 5 years by obtaining the permit of Capital Markets Board for previously permitted upper limit or a new upper limit. In case abovementioned authorization shall not be obtained, the Company cannot make a capital increase by a decision of the board of directors.</p> <p>The issued capital of Company is TL 675,728,205.00 (Six hundred seventy five million and seven hundred twenty eight thousand and two hundred and five Turkish Liras) and mentioned issued capital is fully paid as free</p>

	<p>Turkish Liras) and mentioned issued capital is fully paid as free of collusion.</p> <p>Corporate stocks are tracked based on records within the framework of dematerialization principles.</p> <p>If necessary, Company's capital may be increased or decreased within the framework of the provisions of Turkish Commercial Code and Capital Markets Board.</p> <p>The Board of Directors is authorized to increase the issued capital by issuing new shares up to upper limit of registered capital when deemed as necessary in accordance with the provisions of Capital Markets Law and to take decisions on limiting the rights of shareholders for acquiring new shares and on issuing shares at a premium or under its nominal value. Authority of limiting the new share acquirement shall not be used in a way that causes disparity among shareholders.</p>	<p>of collusion.</p> <p>Corporate stocks are tracked based on records within the framework of dematerialization principles.</p> <p>If necessary, Company's capital may be increased or decreased within the framework of the provisions of Turkish Commercial Code and Capital Markets Board.</p> <p>The Board of Directors is authorized to increase the issued capital by issuing new shares up to upper limit of authorized capital when deemed as necessary in accordance with the provisions of Capital Markets Law and to take decisions on limiting the rights of shareholders for acquiring new shares and on issuing shares at a premium or under its nominal value. Authority of limiting the new share acquirement shall not be used in a way that causes disparity among shareholders.</p>
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